

SECOND REGULAR SESSION
[PERFECTED]
HOUSE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 1556
91ST GENERAL ASSEMBLY

Reported from the Committee on Commerce and Economic Development, March 7, 2002, with recommendation that the House Committee Substitute for House Bill No. 1556 Do Pass.

Taken up for Perfection March 19, 2002. House Committee Substitute for House Bill No. 1556 ordered Perfected and printed.

TED WEDEL, Chief Clerk

4067L.04P

AN ACT

To repeal section 620.1355, RSMo, and to enact in lieu thereof one new section relating to investment funds service corporations, with an emergency clause.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Section 620.1355, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 620.1355, to read as follows:

620.1355. The director shall certify an investment funds service corporation or S corporation to make the annual election and shall determine whether applicants for certification qualify pursuant to the definitions found in subdivision (4) of subsection 2 of section 143.451, RSMo. In making his or her determination for certification, the director shall further take into consideration factors including, but not limited to: current and past industry employment growth and employment retention in the state; salary levels of new or existing industry employment in the state; the income tax laws applied to investment funds service corporations in other states; industry growth nationally and within the state; the prevailing conditions in the economy and financial markets; the competitive environment within the industry; the applicant's past certification and use of this section and sections 620.1350 and 620.1360; and an applicant's size, structure and method of operation. After determining an applicant is qualified to make the election, the director shall issue a certificate of qualification, a copy of which the applicant shall annually file with the applicant's income tax return. Once certified by the director, an investment funds service corporation shall remain certified for the annual election pursuant to this section and sections 620.1350 and 620.1360 until it no longer qualifies pursuant to the definitions of

16 subdivision (4) of subsection 2 of section 143.451, RSMo. The director may, at any time, require
17 reasonable information to be submitted by an investment funds service corporation to establish
18 its qualification for certification. If the director determines an application does not qualify for
19 the annual election, the director shall notify the applicant of the reason for this determination in
20 writing and the applicant shall have the same rights of reconsideration and appeal afforded to
21 taxpayers denied tax credits pursuant to section 135.250, RSMo. **The director, upon request,**
22 **may issue an opinion stating whether a nonresident investment funds service corporation**
23 **or S corporation would meet the qualifications for certification pursuant to this section if**
24 **such corporation were to relocate its principal business headquarters to this state, and such**
25 **opinion shall be binding upon this state and its agencies if such corporation relocates its**
26 **headquarters to this state in reliance on such opinion and if at the time such corporation**
27 **relocates its principal business headquarters to this state, it meets the requirements of**
28 **subdivision (4) of subsection 2 of section 143.451, RSMo, the director shall certify the**
29 **corporation to make the initial annual election as set forth in this section. Any provision**
30 **of law to the contrary notwithstanding, information submitted to the director pursuant to**
31 **this section shall be exempt from the provisions of chapter 610, RSMo.**

Section B. Because immediate action is necessary to provide nonresident investment
2 funds service corporations with critical information regarding their certification status, section
3 A of this act is deemed necessary for the immediate preservation of the public health, welfare,
4 peace, and safety, and is hereby declared to be an emergency act within the meaning of the
5 constitution, and section A of this act shall be in full force and effect upon its passage and
6 approval.